



PUBLIC NOTICE

Federal Communications Commission
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DA 10-30
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DOMESTIC SECTION 214 APPLICATION FILED FOR THE TRANSFER OF CONTROL OF ONSHORE NETWORKS, L.L.C. TO ACCESS MEDIA 3, INC.

STREAMLINED PLEADING CYCLE ESTABLISHED

WC Docket No. 10-1

Comments Due: January 21, 2010
Reply Comments Due: January 28, 2010

On December 23, 2009, Access Media 3, Inc. (AM3), AM3 Holding Corp. (AM3 Holding), AM3 Pinnacle Corporation (Pinnacle), and onShore Networks, L.L.C. (onShore) (collectively, Applicants) filed an application pursuant to section 63.03 of the Commission's rules¹ seeking approval to transfer control of onShore to AM3.

onShore, an Illinois limited liability company, is wholly owned by onShore Networks of Illinois, L.L.C., also an Illinois limited liability company.² onShore, which primarily provides satellite television service to residential multi-dwelling units, also provides point-to-point telecommunications services in Illinois to multiple dwelling units. AM3, an Illinois corporation, is authorized to provide competitive interstate and intrastate telecommunications services to business and residential customers in Illinois, Minnesota, Wisconsin, and Iowa. The following two U.S. citizens currently own at least 10 percent of the equity of AM3: Scott A. Rediger (43.3 percent) and Robert J. Heiderscheidt (26.4 percent). Pursuant to the terms of a separately pending transaction, Mr. Rediger and Mr. Heiderscheidt will transfer ownership of AM3 to AM3 Holding.³ AM3 Holding, a Delaware corporation, is a newly formed company that does

¹ 47 C.F.R. § 63.03; *see* 47 U.S.C. § 214. Applicants filed a supplement to their domestic section 214 application on January 6, 2010.

² onShore, Inc., a U.S.-based holding company owned by Nick Valavanis (27 percent) and Stel Valavanis (73 percent), wholly owns onShore Networks of Illinois, L.L.C.

³ *Domestic Section 214 Application Filed for the Transfer of Control of Access Media 3, Inc.*, WC Docket No. 09-203, Public Notice, DA 09-2475 (WCB, rel. Nov. 24, 2009). AM3 also has an application pending to acquire certain assets of Master Communications Systems, Inc. *Domestic Section 214 Application Filed for the Acquisition of Certain Assets of Master Communications Systems, Inc. d/b/a Avid Technologies by Access Media 3, Inc.*, WC Docket No. 09-215, Public Notice, DA 09-2514 (WCB, rel. Dec. 1, 2009). Both applications were removed from streamlining to allow Executive Branch review. *Notice of Removal of Domestic Section 214 Applications from Streamlined Treatment*, WC Docket Nos. 09-203, 09-215, Public Notice, DA 09-2595 (WCB, rel. Dec. 15, 2009). Applicants state that AM3 anticipates that the transactions pending in WC Docket Nos. 09-203 and 09-215 will be approved and will close prior to the closing of the transaction described herein.

not provide telecommunications services. Applicants state that Pinnacle, a Delaware corporation, is a newly formed holding company that does not provide telecommunications services, and will hold 100 percent of the stock of AM3 Holding after consummation of the proposed transaction. The following investors will own at least 10 percent of the equity of Pinnacle: Mr. Rediger (12.1 percent), Meritage Fund III, L.P. (30.4 percent), WP North America Private Equity, L.P. (15.2 percent), and COREalpha Private Equity Partners II, L.P. (15.2 percent). Meritage Fund III, L.P., a U.S. entity, is wholly owned by Meritage Investment Partners III, LLC, a U.S. entity. Applicants state that no entity holds an interest in Meritage Investment Partners III, LLC that would constitute a 10 percent or greater interest in AM3. WP North America Private Equity, L.P., a U.S. entity, is owned (99 percent) by Forsta AP-Fonden Kapital KB, a Swedish entity. Applicants state that no entity holds an interest in Forsta AP-Fonden Kapital KB that would constitute a 10 percent or greater interest in AM3. WP North America Private Equity GP, LLC, a U.S. entity, is the general partner of WP North America Private Equity, L.P. WP North America Private Equity GP, LLC is owned (50 percent) by WAFRA Investment Advisory Group, Inc., a U.S. entity that is in turn wholly owned by WAFRA Investment Corporation, a Cayman Islands entity. The Public Institution for Social Security, a Kuwait entity, owns 95.5 percent of WAFRA Investment Corporation, and the State of Kuwait wholly owns The Public Institution for Social Security. WP COREalpha II GP, LLC, a U.S. entity, is the general partner and 100 percent owner of COREalpha Private Equity Partners II L.P., a U.S. entity. WAFRA Investment Advisory Group, Inc. is the general partner and 50 percent owner of WP COREalpha II GP, LLC. WAFRA Investment Advisory Group, Inc., in turn, is owned by the Cayman Islands and Kuwait entities described above. Applicants state that none of the above entities holds a 10 percent or greater interest in any other domestic telecommunications carrier.

Pursuant to the terms of the proposed transaction, Pinnacle will acquire the outstanding membership interests of onShore, and onShore will become a direct, wholly owned subsidiary of Pinnacle.⁴ As part of the transaction, the outstanding stock of AM3 Holding will be converted to stock in Pinnacle, which Applicants state will be a *pro forma* transaction. As a result, AM3 will become a wholly owned indirect subsidiary of Pinnacle. Applicants assert that the proposed transaction is entitled to presumptive streamlined treatment under section 63.03(b)(2)(i) of the Commission's rules and that a grant of the application will serve the public interest, convenience, and necessity.⁵

Domestic Section 214 Application Filed for the Transfer of Control of onShore Networks, L.L.C. to Access Media 3, Inc., WC Docket No. 10-1 (filed Dec. 23, 2009).

GENERAL INFORMATION

The transfer of control identified herein has been found, upon initial review, to be acceptable for filing as a streamlined application. The Commission reserves the right to return any transfer application if, upon further examination, it is determined to be defective and not in conformance with the Commission's rules and policies. Pursuant to section 63.03(a) of the Commission's rules, 47 CFR § 63.03(a), interested parties may file comments **on or before January 21, 2010**, and reply comments **on or before January 28, 2010**. Unless otherwise notified by the Commission, the Applicants may transfer control on the 31st day after the date of this notice.⁶ Comments must be filed electronically using (1) the Commission's Electronic Comment Filing System (ECFS) or (2) the Federal Government's e-Rulemaking Portal. *See* 47

⁴ Applicants state that, in return for the assets being transferred from onShore to AM3, the current owners of onShore will receive stock in Pinnacle and will become minority owners in Pinnacle and AM3. They state that the stock received will not cause a change in control in AM3.

⁵ 47 C.F.R. § 63.03(b)(2)(i).

⁶ Such authorization is conditioned upon receipt of any other necessary approvals from the Commission in connection with the proposed transaction.

C.F.R. § 63.03(a) (“All comments on streamlined applications shall be filed electronically . . .”); *Electronic Filing of Documents in Rulemaking Proceedings*, 63 FR 24121 (1998).

- Comments may be filed electronically using the Internet by accessing the ECFS, <http://www.fcc.gov/cgb/ecfs/>, or the Federal e-Rulemaking Portal, <http://www.regulations.gov>. Filers should follow the instructions provided on the website for submitting comments.
- For ECFS filers, if multiple docket or rulemaking numbers appear in the caption of this proceeding, filers must transmit one electronic copy of the comments for each docket or rulemaking number referenced in the caption. In completing the transmittal screen, filers should include their full name, U.S. Postal Service mailing address, and the applicable docket or rulemaking number. Parties may also submit an electronic comment by Internet e-mail. To get filing instructions, filers should send an e-mail to ecfs@fcc.gov and include the following words in the body of the message, “get form.” A sample form and directions will be sent in response.

In addition, e-mail one copy of each pleading to each of the following:

- 1) The Commission’s duplicating contractor, Best Copy and Printing, Inc., fcc@bcpiweb.com; phone: (202) 488-5300; fax: (202) 488-5563;
- 2) Tracey Wilson-Parker, Competition Policy Division, Wireline Competition Bureau, tracey.wilson-parker@fcc.gov;
- 3) Jodie May, Competition Policy Division, Wireline Competition Bureau, jodie.may@fcc.gov;
- 4) David Krech, Policy Division, International Bureau, david.krech@fcc.gov; and
- 5) Jim Bird, Office of General Counsel, jim.bird@fcc.gov.

Filings and comments are available for public inspection and copying during regular business hours at the FCC Reference Information Center, Portals II, 445 12th Street, S.W., Room CY-A257, Washington, D.C. 20554. They may also be purchased from the Commission’s duplicating contractor, Best Copy and Printing, Inc., Portals II, 445 12th Street, S.W., Room CY-B402, Washington, D.C. 20554; telephone: (202) 488-5300; fax: (202) 488-5563; e-mail: fcc@bcpiweb.com; url: www.bcpiweb.com.

People with Disabilities: To request materials in accessible formats for people with disabilities (braille, large print, electronic files, audio format), send an e-mail to fcc504@fcc.gov or call the Consumer & Governmental Affairs Bureau at (202) 418-0530 (voice), (202) 418-0432 (tty).

For further information, please contact Tracey Wilson-Parker at (202) 418-1394 or Jodie May at (202) 418-0913.